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FORTY-SEVENTH SESSION

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FIFTH COMMITTEE
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at 5 p.m.
New York

SUMMARY RECORD OF THE 51st MEETING

Chairman:	Mr. DINU	(Romania)
later:	Mr. ZAHID (Vice-Chairman)	(Morocco)
later:	Mr. DINU	(Romania)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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The meeting was called to order at 5.55 p.m.

AGENDA ITEM 106: CURRENT FINANCIAL CRISIS OF THE UNITED NATIONS (continued)

AGENDA ITEM 107: FINANCIAL EMERGENCY OF THE UNITED NATIONS (continued)

Draft resolution A/C.5/47/L.25 on improving the financial situation of the United Nations (concerning agenda items 106 and 107)

1. Ms. ERIKSSON-FOGH (Sweden), introducing draft resolution A/C.5/47/L.25, said that it reaffirmed the obligation of all Member States to pay their assessments in full and on time and requested the Secretary-General, in his reports on the financial situation, to include information on arrears and outstanding contributions, on the cash flow situation and on the amounts owed to troop-contributing countries. It further requested the Secretary-General to undertake a study on United Nations financial and budgetary practices and to submit proposals for dealing with cash shortages.

2. Draft resolution A/C.5/47/L.25 was adopted.

3. Mr. RAE (India), speaking in explanation of position, said that his delegation had joined the consensus on the understanding that, in accordance with paragraph 3, the Secretary-General would include in his reports information on all arrears and outstanding assessed contributions relating to the regular budget and peace-keeping operations, together with information on amounts owed to troop-contributing countries, and that the Secretary-General would make every effort to recover all outstanding contributions to peace-keeping operations. Information on peace-keeping operations should include information on the United Nations Operation in the Congo and the United Nations Emergency Force in Egypt.

4. Mr. WU Gang (China) said that for years the financial crisis had made the Organization less effective in meeting the increased expectations of the international community. The main cause of the financial crisis was the non-payment of assessed contributions to the regular budget, which forced the Secretary-General to borrow from peace-keeping operation accounts in order to meet operating needs and prevented him from reimbursing troop-contributing countries in a timely manner. His delegation regretted that the draft resolution failed to deal with the regular budget but simply concentrated on peace-keeping operations.

AGENDA ITEM 103: REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS (continued)

AGENDA ITEM 104: PROGRAMME BUDGET FOR THE BIENNIUM 1992-1993 (continued)

Draft resolution A/C.5/47/L.17 (concerning agenda items 103 and 104)

5. Mr. ZAHID (Morocco), Vice-Chairman, introducing draft resolution A/C.5/47/L.17, said that the operative part of the draft resolution contained three sections: section I dealt with the development of workload standards and the budgetary presentation of extrabudgetary resources; section II related to the restructuring of the Secretariat and the submission of revised estimates; and section III endorsed the proposed new budget format.

6. Mr. AHMED (Iraq) suggested some editorial changes in the Arabic version of the draft resolution.

7. Mr. SUGANO (Japan) said that his delegation accepted the arrangements discussed in paragraph 13 on the understanding that the revised estimates for the 1992-1993 programme budget would not exceed the revised appropriations for the biennium.

8. Draft resolution A/C.5/47/L.17 was adopted.

Draft resolution A/C.5/47/L.24 on the proposed programme budget outline for the biennium 1994-1995 (concerning agenda item 103)

9. Mr. ZAHID (Morocco), Vice-Chairman, introducing draft resolution A/C.5/47/L.24, said that it followed the previous resolution in form and substance, but that a paragraph on growth had been deemed unnecessary. Paragraph 4 approved the changes in methodology reflected in the Secretary-General's report and paragraph 6 invited the Secretary-General to prepare the proposed programme budget for the biennium 1994-1995 on the basis of the preliminary estimate provided by ACABQ.

10. Draft resolution A/C.5/47/L.24 was adopted.

11. Mr. IRUMBA (Uganda), supported by Mr. CHUINKAM (Cameroon), said that his delegation had joined the consensus on the draft resolution on the understanding that the priorities set by the General Assembly in resolutions 42/253 and 45/255 remained valid.

Draft decision A/C.5/47/L.28 (concerning agenda item 104)

12. Mr. ZAHID (Morocco), Vice-Chairman, said that the text of the draft decision before the Committee represented a consensus.

13. Mr. MICHALSKI (United States of America) said that the words "including the International Civil Service Commission" in the fourth line should be deleted and the words "through the International Civil Service Commission" should be added at the end of the last line.

14. Mr. SUGANO (Japan) said that, in his view, the amendment suggested by the United States representative would change the substance of the decision. He could accept the addition of the reference to the International Civil Service Commission at the end, but not the deletion of the earlier reference.

15. Mr. ZAHID (Morocco), Vice-Chairman, said it was his understanding that the text as submitted had met the concerns of the United States and the Japanese delegations.

16. Mr. NA CHAPASSAK (Australia) said that his delegation had agreed to the text as submitted and had no problems with its adoption as it stood.

17. Mr. MICHALSKI (United States of America) said that, as he understood the first three lines of the text, the reference to the International Civil Service Commission was unclear. However, his delegation did not object to the text, although it would prefer other drafting.

18. Mr. BAUDOT (Acting Controller) suggested that the third line could be amended to read "taking into account the views of the International Civil Service Commission and the experience of other organizations of the system", while retaining the United States addition at the end of the text.

19. Mr. KINCHEN (United Kingdom) said that, since the Committee was asking about the impact of the budget, perhaps the view of ACABQ should be sought. Avoiding reference to the organizational channel through which the report was to be submitted might make the text simpler. The views of ICSC might best be sought by submitting the report to it.

20. The CHAIRMAN read out the following text of draft decision A/C.5/47/L.28:

> "The General Assembly
>
> "Requests the Secretary-General to review all aspects of the question of staff assessment as they affect the budgets of United Nations organizations and programmes, taking into account the experience of other organizations of the system and established principles and practices, including the principle of ensuring equality of pay and benefits for all staff members, and to present proposals to the General Assembly at its forty-eighth session through the International Civil Service Commission."

21. If he heard no objection he would take it that the Committee wished to adopt the draft decision as amended.

22. It was so decided.

Section 15. United Nations Conference on Trade and Development: post requirements for 1993 (continued) (A/C.5/47/7)

23. The CHAIRMAN invited the Committee to resume its consideration of the question of post requirements of the United Nations Conference on Trade and Development (UNCTAD) for 1993.

24. Since there were no further comments, he suggested that the Committee should recommend to the General Assembly that it endorse the recommendations of CPC and the Advisory Committee on the 13 posts formerly attached to the subprogrammes of section 15 on trade among countries having different economic and social systems (A/C.5/47/7).

25. It was so decided.

Honoraria payable to members of organs and subsidiary organs of the United Nations (A/C.5/47/45)

26. Mr. ZAHID (Morocco), Vice-Chairman, said that, because of a lack of time, he had been unable to hold full informal consultations on the question of honoraria payable to members of organs and subsidiary organs of the United Nations. He had held informal consultations with a number of delegations, however, and on the basis of those consultations was submitting the following draft decision:

> "The Fifth Committee recommends to the General Assembly that it decide to postpone to its resumed session the review of the whole question of honoraria contained in document A/C.5/47/45 and to authorize the Secretary-General to take appropriate discretionary measures, notably with regard to paragraph 55 of his report, within the overall framework of the current pertinent resolutions and decisions."

27. Mr. SPAANS (Netherlands) said that he fully supported the proposal in substance but would like the word "notably" to be deleted, as it could be misinterpreted to mean that other aspects of honoraria which had not been discussed at all might also be included.

28. Ms. ROTHEISER (Austria) said that her delegation could agree to postponing that decision but had difficulty in authorizing the Secretary-General to make exceptions.

29. Mr. SUGANO (Japan) said that the Committee must postpone its decision on the issue as a whole without allowing any exceptions. Should the Secretary-General be authorized to take discretionary measures, a review would have to be carried out to ensure that the measures were within appropriate confines. His delegation would have expected ACABQ to guide the Secretary-General in that respect, but it had not done so.

30. Mr. MICHALSKI (United States of America) said that his delegation would have no difficulty in going along with the Vice-Chairman's proposal, as amended by the Netherlands. While he understood the concerns of the representative of Japan, he assumed that ACABQ would be in a position to oversee those payments.

31. Mr. IRUMBA (Uganda) said that, initially, his delegation had had the same misgivings as the Japanese delegation but was willing to give the Secretary-General discretionary powers on the understanding that the Committee would revert to the question of honoraria at the resumed session.

32. Mr. RAE (India) said that if the Committee as a whole decided to adopt the decision read out by the Vice-Chairman, his delegation could go along with it, albeit very reluctantly.

33. Mr. ZAHID (Morocco) said that, if there were objections to the second part of the proposal, the text could end with "document A/C.5/47/45".

34. Mr. DANKWA (Ghana) said that the proposed decision could take care of the concern of Japan by asking the Secretary-General to report whatever measures he took and to do so in the context of the final programme performance report for 1992-1993. It should be borne in mind that the Committee was not discussing the principles of honoraria payments but was considering the possibility of increasing the rates of such payments in order to compensate for loss in purchasing power.

35. Mr. SPAANS (Netherlands) suggested that instead of "discretionary measures" the proposal could speak of exceptions to be made, or measures to be taken on an exceptional basis, the procedure to be determined in consultation with ACABQ. That should take care of most delegations' concerns.

36. Ms. ROTHEISER (Austria) said that her delegation, although uneasy about singling out one paragraph of the report for special treatment, was prepared to join the consensus in order to expedite the Committee's work. She asked other delegations to show the same flexibility on other items.

37. Mr. Zahid (Morocco), Vice-Chairman, took the Chair.

38. Mr. ACAKPO SATCHIVI (Secretary of the Committee) read out the proposal with the changes suggested in the course of the discussion:

> "The Fifth Committee recommends to the General Assembly that it decide to postpone to its resumed session the review of the whole question of honoraria contained in document A/C.5/47/45 and to authorize the Secretary-General to take appropriate measures, on an exceptional basis and in consultation with ACABQ, with respect to paragraph 55 of his report, within the overall framework of the current pertinent resolutions and decisions. It further recommends that the Secretary-General reflect the measures he will take in the final performance report for the biennium 1992-1993."

39. Mr. RAE (India) found the reference to consultations with ACABQ somewhat vague. Would they be with the ACABQ secretariat, with the Chairman or with the whole membership?

40. Mr. INOMATA (Japan) said that his delegation could not accept such an ambiguous interpretation; ACABQ was a collegial body and not reducible to its secretariat or its Chairman. Moreover, the words "with the concurrence of ACABQ" would be more appropriate than "in consultation with ACABQ", when authorizing the Secretary-General to commit resources.

41. The discussion was in any case untimely, since the review of the question of honoraria was being postponed. There was no reason for ACABQ to be singled out for special treatment over and above such bodies as the Administrative Tribunal. Indeed, it was debatable whether the question of reimbursement of airfares for spouses was relevant to the question of honoria. He did not believe that it was, although he agreed that the duration of the Advisory Committee's sessions was a matter of concern, since it met for nearly eight months a year. A shorter meeting schedule ought to be considered.

42. His delegation was uneasy with the nebulous proposal that had been put forward, but would not oppose it if it could incorporate the following changes. The words "in consultation with" should be replaced by "with the concurrence of"; the second sentence should begin "Pending completion of the review, ..."; and a third sentence should be added reading: "It further decides to revert to the matter again at its forty-eighth session."

43. Mr. DANKWA (Ghana) said that the wording proposed by the representative of Japan did not substantially modify the original proposal, which would give temporary authority to the Secretary-General to implement paragraph 55. He would prefer to retain the words "in consultation with", which merely implied that the Secretary-General would ascertain which members would be attending the session and travelling with their spouses, but could reluctantly accept the proposed "with the concurrence of".

44. The CHAIRMAN said he took it that the Committee wished to adopt the Vice-Chairman's proposed decision as read out by the Secretary of the Committee and further modified by the representative of Japan.

45. It was so decided.

The contingency fund: consolidated statement of programme budget implications and revised estimates (A/C.5/47/85)

46. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee was recommending acceptance of the proposals in document A/C.5/47/85. After the proposed action, the Secretary-General indicated in paragraph 3 that there would remain a balance of $11.7 million in the contingency fund. However, during the consideration of the item, the Committee had been informed that an amount of

(Mr. Mselle)

$5.3 million was not included in the balance. That amount represented the cost estimates of some programme budget implications which the Committee had decided to refer to the resumed forty-seventh session of the General Assembly in early 1993 and which related mainly to institutional arrangements for the United Nations Conference on Environment and Development and Department of Public Information offices. So far, all the actions taken by the General Assembly which were governed by the procedures for the use and operation of the contingency fund, as determined by the Secretary-General, had been accommodated in the contingency fund.

47. Mr. MICHALSKI (United States of America) said his delegation was not surprised that a substantial balance had been left in the contingency fund, since most of the budget add-ons were to be financed out of the contingency fund. His delegation wished to know how much the Committee had approved in terms of programme budget implications or revised estimates that would not be charged to the contingency fund. With reference to the comprehensive study of the question of honoraria payable to members of organs and subsidiary organs of the United Nations referred to in the annex to document A/C.5/47/85, it was his delegation's understanding that there had been no formal decision to approve the amount of $46,000 indicated; it therefore assumed that that particular reference was not correct. However, it had no objection of principle to the appropriation.

48. Mr. KINCHEN (United Kingdom) said his delegation was conscious that there were substantial additional charges which could potentially be made against the contingency fund for the current biennium and that some major items of expenditure were being treated as unforeseen and extraordinary and were, at least arguably, a legitimate charge to the contingency fund. His delegation was not convinced that major maintenance was any different in qualitative terms from construction. When a charge that represented a major item of building expenditure arose in the course of a biennium, the cost of that repair should be weighed against the other requirements placed upon the Organization in terms of expenditure available. The precise expenditures which his delegation had in mind in that connection related to the relatively inexpensive modification of meeting rooms to accommodate the increased number of Member States and the relatively more expensive repair to the structure which overhung the FDR Drive. The City of New York had closed off a ramp leading to the FDR Drive which had remained closed for a number of years, presumably because its repair was not among the City's priorities. That was a legitimate example of budgetary prioritization, and it seemed to his delegation that the United Nations would do well to adopt a similar approach. In any event, the matter deserved very careful consideration in the context of the next review of the procedures for the use and operation of the contingency fund at the forty-eighth session.

49. Mr. MERIFIELD (Canada) sought clarification on what action would be taken with respect to the $5.3 million.

50. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), replying to the representative of Canada, said that the contingency fund technically covered three years: the first year in which the budget was prepared; the first year of the biennium; and the second year of the biennium. The $5.3 million, which represented programme budget implications to be taken up at the resumed forty-seventh session, would be charged to the balance of the contingency fund. There would be a crisis if more programme budget implications came up between 1 January and 31 December 1993. If that should happen, the General Assembly would decide how to proceed; but for the time being the $5.3 million requirement could be covered by the contingency fund.

51. Mr. SUGANO (Japan) said that his delegation had been given assurances by the Under-Secretary-General for Administration and Management and the Acting Controller that the level of the revised estimates which would be presented in 1993 would not exceed the revised appropriations to be adopted within the next few days. In other words, the $5.3 million would not be automatically charged to the contingency fund. Indeed, his delegation expected the Secretary-General to absorb costs wherever possible through the internal redeployment of resources.

52. Mr. IRUMBA (Uganda) said that it was not yet possible to predict whether the contingency fund would be sufficient for the biennium. His delegation took note of what the representative of Japan had said with regard to the $5.3 million and was waiting to see how the situation unfolded at the resumed session before taking a firm decision.

53. Mr. MICHALSKI (United States of America) said that his delegation agreed in principle with the position taken by the United Kingdom delegation regarding charges for major maintenance against the contingency fund and believed that such charges were appropriate. With respect to the structure which overhung the FDR Drive, if he had understood the position of the United Kingdom delegation correctly, it believed that the cost of repairs should be paid by the City of New York. He was not aware of what had transpired at the ACABQ meeting at which the issue had been discussed. However, he was under the impression that, legally, the United Nations was required to pay those costs. If, in fact, that was not the case, then his delegation would encourage the Legal Counsel to take the matter up with the City.

54. Mr. KINCHEN (United Kingdom) said he had not suggested that New York City was responsible for the repairs. He had merely drawn a comparison between the City's practice and that of the United Nations with respect to budgetary prioritization when it came to repairing roadways.

55. Mr. BAUDOT (Acting Controller) said that the add-ons outside the contingency fund amounted to approximately $14.7 million. He had taken note of the second point made by the representative of the United States. The Secretariat's statement on the revised budget appropriations for 1992-1993

(Mr. Baudot)

referred to the restructuring and assumed that the General Assembly would take a decision on other revised estimates or programme budget implications not related to restructuring. As the Chairman of the Advisory Committee had indicated, there were a number of instances in which the General Assembly had decided on amounts that were smaller than those proposed by the Secretary-General and the unutilized balance of the contingency fund would be available during 1993.

56. The CHAIRMAN suggested that the Committee, in accordance with paragraph 5 of the annex to General Assembly resolution 42/211, should recommend to the Assembly the appropriation of the required amounts, i.e. $3,483,400, under the relevant sections of the programme budget for the biennium 1992-1993, as distributed in paragraph 2 of document A/C.5/47/85, and furthermore, that the Committee should also inform the Assembly to take note that a balance of $11,753,700 would remain in the contingency fund.

57. It was so decided.

Revised estimates: recosting of decisions of the Fifth Committee (A/C.5/47/86)

58. Mr. ACAKPO SATCHIVI (Secretary to the Committee) drew attention to an error in document A/C.5/47/86: on page 2, the increase or decrease should be in United States dollars, not thousands of United States dollars.

59. The CHAIRMAN suggested that the Committee should recommend to the General Assembly that it should approve, following the recosting of decisions of the Fifth Committee concerning statements of programme budget implications and revised estimates as contained in document A/C.5/47/86, a net increase of $121,300 for the biennium 1992-1993.

60. It was so decided.

Granting of travel assistance to least developed and other developing countries that are members of the United Nations Commission on International Trade Law (continued)

61. The CHAIRMAN said he took it that the Committee wished to postpone to its resumed session the discussion of travel expenses for members of the United Nations Commission on International Trade Law from least developed and other developing countries.

62. It was so decided.

63. Mr. MICHALSKI (United States of America) said that his delegation would be willing to accept, on an exceptional basis, payment of the travel costs of certain delegations attending the United Nations Commission on International Trade Law (UNCITRAL), provided that agreement could be reached on another proposal, namely for limits on the terms of high-level United Nations

(Mr. Michalski, United States)

officials. His delegation reserved the right to revert to that proposal at the resumed session in the course of further discussions on other outstanding issues addressed under agenda item 104, including standards of accommodation for air travel (A/C.5/47/17) and costs of staff representation activities (A/C.5/47/59).

64. Mr. Dinu (Romania) resumed the Chair.

65. Mr. IRUMBA (Uganda) regretted that no decision had been made with regard to travel expenditures for UNCITRAL. However, he appreciated the flexibility shown by delegations and hoped that at the resumed session the Committee could reach consensus on a positive decision.

The meeting rose at 8.40 p.m.